

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6853

BILL NUMBER: HB 1615

NOTE PREPARED: Dec 29, 2014

BILL AMENDED:

SUBJECT: Veterans' Recovery Program.

FIRST AUTHOR: Rep. Zent

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill has the following provisions:

- (1) Establishes, for five years, the Veterans' Recovery Program and Fund to provide treatment for veterans with traumatic brain injury or posttraumatic stress disorder and to obtain reimbursement from third parties.
- (2) Requires the Commissioner of the Department of Insurance (DOI) to establish program standards.
- (3) Allows the DOI to appoint an advisory board for the program.
- (4) Requires annual reporting.
- (5) Makes an appropriation.

Effective Date: July 1, 2015.

Explanation of State Expenditures: *Summary:* The bill appropriates \$2 M from the General Fund to the newly created Veterans' Recovery Fund for the purposes of administering the Veterans' Recovery Program. The program is to be administered by the DOI, with the help of the Indiana Department of Veterans' Affairs (IDVA) and the Office of the Attorney General. Any costs of administering the program are to be paid from the fund.

Additional Information:

Indiana Department of Veterans' Affairs: This bill could increase the workload of the Indiana Department of Veterans' Affairs to verify the veteran status of Veterans' Recovery Program applicants and provide notices as required in the bill to veterans with posttraumatic stress disorder (PTSD) and a traumatic brain

injury (TBI). Increases in workload are expected to be accomplished within the appropriation, if not from existing resources and funding levels.

Program Administration: Under the bill, the DOI would be required to either provide veteran recovery programs or contract out the requirement. Funds for the program would come from the \$2 M General Fund appropriation, federal revenue, and any amounts recovered from responsible third parties. The availability of federal funds or the ability to recover funds from responsible third parties is indeterminable and will depend on the actions taken by the DOI and the Office of the Attorney General.

Explanation of State Revenues: *Summary:* To the extent the DOI and the Office of the Attorney General are successful in acquiring federal funds or reimbursement from responsible third parties to fund the Veterans' Recovery Program, this bill will increase state revenue. Increases in state revenue are indeterminable.

Additional Information: Currently, the use of hyperbaric chambers for treatment of TBI and PTSD is not listed as a covered treatment under Medicare. The Family and Social Services Administration (FSSA) reports that the use of hyperbaric chambers for treatment of TBI and PTSD are not reimbursable under Medicaid. If the federal Centers for Medicare and Medicaid Services (CMS) were to include treatment for TBI and PTSD, the state could receive federal reimbursement revenue for Veterans' Recovery Program expenditures.

The bill also creates the Veterans' Recovery Fund. Money in the fund is nonreverting and continually appropriated for the purposes of funding the Veterans' Recovery Program.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DOI, IDVA, Office of the Attorney General.

Local Agencies Affected:

Information Sources: Centers for Medicare and Medicaid Services; Grant Krevda, FSSA.

Fiscal Analyst: Bill Brumbach, 232-9559.